



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, March 04, 2008

Electricity

Dominion's 612 MW Brayton Coal-fired Unit 3 in Massachusetts Shut March 3 – Traders

Reuters reports that traders said the unit was shut to fix a boiler tube leak and would most likely return within 24 hours.

Reuters, 12:26 March 4, 2008

Sempra's 620 MW Termoelectrica Gas-fired Unit in Mexico Shut March 3

According to a recent outage report from the California Independent System Operator, the plant was shut for both unplanned and planned maintenance work.

<http://www.caiso.com/unitstatus/data/unitstatus200803031515.html>

Reuters, 19:28 March 3, 2008

Reuters, 19:41 March 3, 2008

Update: FPL's 693 MW Turkey Point Nuke Unit 3 in Florida at Full Power March 4

FPL's nuclear unit 3 at its Turkey Point power plant exited an outage and ramped up to full power by early today.

The unit was shut on February 26 due to the loss of off-site power during a blackout.

Reuters, 07:56 March 4, 2008

Information also derived from NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Associated Electric Delays Plans for Proposed 780 MW Norborne Coal-fired Power Plant in Missouri

After obtaining an air permit approving the construction of the plant, Associated Electric Cooperative put a halt to its plans after the near-doubling of projected costs and concerns about uncertainties with respect to future carbon emission regulations. The cooperative's 12-member board voted February 29 to delay the project indefinitely.

<http://ap.cjonline.com/pstories/state/ks/20080303/253288174.shtml>

Reuters, 19:43 March 3, 2008

New Jersey Office of Clean Energy Receives Two Offshore Wind Project Proposals

New Jersey's Office of Clean Energy has received at least two proposals for what would be a pilot for the state's incentive and financing program in which the state would pay a production incentive over five years. PSEG Renewable Generation and Winergy Power Holdings submitted a proposal to build 96 turbines to produce 350 MW. The project would become operational in 2013, and would be located 16 miles off the southern New Jersey coast. Another proposal was submitted by Bluewater Wind to build a 348 MW wind farm to include 116 turbines and would be complete by 2012.

<http://biz.yahoo.com/prnews/080304/nytu021.html?v=101>

<http://www.platts.com/Electric%20Power/News/6799582.xml?p=Electric%20Power/News&sub=Electric%20Power>

US Air Force Considering Building Nuclear Plant

Assistant secretary of the Air Force for energy, environment, safety and occupational health said at a recent energy forum that the Air Force is considering building a power reactor at one or more of its bases. No other details were provided.

<http://www.platts.com/Nuclear/News/7847378.xml?p=Nuclear/News&sub=Nuclear>

Train Derailment in California Shuts Kinder Morgan's 20-inch West Line March 4

In a critical notice to shippers this morning, due to a train that derailed near Mecca, California, Kinder Morgan shut down its 20-inch West Line from Colton, California to Phoenix, Arizona. Until the area is safe and the pipeline can be inspected, Kinder Morgan will keep the line shut.

OPIS Alert, 02:02 March 4, 2008

Oil Prices Top Inflation-Adjusted Record Set in 1980

Oil prices hit another record high during the day March 3 when the day's highest trading price of \$103.95 a barrel on the New York Mercantile Exchange (NYMEX) broke the record set in April 1980 during the second oil shock. That price, \$39.50 a barrel equals \$103.76 today when adjusted for inflation according to a New York Times article.

http://www.nytimes.com/2008/03/04/business/worldbusiness/04oil.html?_r=1&th&emc=th&oref=slogin

Update: FCC Restarts at Valero's 170,000 b/d Benicia, California Refinery March 3

Valero shut the 72,000 b/d FCC unit February 28 for unplanned work.

Reuters, 12:36 March 2, 2008

Power Outage Reported at Big West's 68,000 b/d Bakersfield, California Refinery March 3

Big West suffered a power outage at its Bakersfield refinery late March which resulted in flaring.

Reuters, 09:54 March 4, 2008

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/7af537a453e3c64588257402001946ab?OpenDocument>

Valero Cut Rates on FCC at its 142,000 b/d Corpus Christi, Texas Refinery March 4

According to a company representative, rates on the fluid catalytic cracking unit were reduced in order to perform maintenance on a boiler drum.

Reuters, 12:19 March 4, 2008

Update: Valero's 182,200 b/d Delaware City, Delaware Refinery Restores Planned Operating Rates March 4

A February 10 power disruption caused a plant-wide shutdown.

Bloomberg, 09:18 March 4, 2008

Update: Petroecuador Lifts Forces Majeure on Oil Exports March 4

Petroecuador declared the force majeure on oil exports following the rupture of its key SOTE pipeline February 29 that halted the pumping of 360,000 b/d from the Amazon oilfields to the Pacific coast ports. Petroecuador has since repaired the pipeline and restarted pumping, a company representative said.

Reuters, 11:23 March 4, 2008

Natural Gas

Update: Canada's NEB Rejects Portion of New Brunswick Pipeline Route, Offers Alternatives

The Canadian National Energy Board (NEB) rejected a portion of Emera Brunswick Pipeline Company's proposed 90-mile 30-inch diameter pipeline based on the objections from Galbraith Construction and Galbraith Equipment. The decision is related to the section of Brunswick Pipeline's proposed route where it crosses two properties owned by Galbraith. The NEB suggested alternatives that would avoid the Galbraith property. The pipeline is to carry natural gas from the Canaport LNG facility to a point on the international border.

<http://www.platts.com/Natural%20Gas/News/8568098.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Update: Reduced Capacity Reported at Wyoming Interstate Company's Wamsutter Compressor Station March 3

A critical notice report on Wyoming Interstate Company's website reports that its Wamsutter Compressor Station suffered damages to its filter system. The damage resulted in reduced capacity through the Rawlins East Constraint of 735 MMcf/d. The notice says that based on current nomination levels, no reductions to any primary firm nominations are anticipated.

<http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=WIC&sSubCategory=Critical&sNoticeId=6806>

Other News

U.S. Unable to Produce Enough Cellulosic Ethanol to Meet 2022 Renewable Fuels Standard Requirement– EIA

The Energy Information Administration (EIA) reported to Congress today that the United States will not be able to produce enough cellulosic ethanol to meet Congress's mandate for U.S. renewable fuels output of 36 Bgal/yr by 2022. Guy Caruso, EIA administrator, forecasts that only 32.5 billion gallons of the renewable fuels standard will be met by the target date.

Reuters, 11:16 March 4, 2008

Energy Prices

U.S. Oil and Gas Prices			
March 4, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	100.18	100.89	61.98
NATURAL GAS Henry Hub \$/Million Btu	9.07	9.15	7.22

Source: Reuters

Energy Notes

11,253 Progress-Energy Customers without Power in North Carolina March 4

As of 2:30 PM EST <http://www.progress-energy.com/shared/outages/car/index.html>

10,151 Ameren Illinois Customers without Power in Illinois March 4

As of 10:30 AM EST http://www.ameren.com/Outage/ADC_IllinoisOutageInformation.asp

Update: Kansas Department of Health and Environment Issues Air Permit for Westar Project to Reduce Emissions from its Jeffrey Coal-fired Power Plant in Kansas

<http://www.platts.com/Coal/News/6798432.xml?p=Coal/News&sub=Coal>

Blown Fuse Leads to Flaring at 290 MMcf/d Waha Gas Plant in Texas March 3

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=104509>

FERC Approves Incentive Rates for Allegheny Energy's Proposed 244-mile, 765 kV Potomac-Appalachian Transmission Line from West Virginia to Maryland

Reuters, 18:32 March 3, 2008

BSW, 18:30 March 3, 2008

Dominion Resources Repairs Faulty Compressor Engine along Natural Gas Pipeline in West Virginia

Bloomberg, 10:12 March 4, 2008

Update: U.S. State Department Approves TransCanada's 2,148-mile Keystone Pipeline to Ship 590,000 b/d from Alberta to U.S. Midwest

<http://uk.reuters.com/article/oilRpt/idUKN0340026020080303>

http://biz.yahoo.com/ap/080303/keystone_pipeline.html?.v=1

Enerkem Announces Progress on Construction of Canada's First Cellulosic Ethanol Plant – to Produce 1.5 Million Gallons of Cellulosic Ethanol from Creosoted Urban Wood

http://www.enerkem.com/news.php?id_nouvelle=45

Ecuador to Propose Plan to Forego Development of its 1 Billion bbl Yasuni Oil Field in Exchange for International Financial Aid at Upcoming OPEC Meeting

http://www.rigzone.com/news/article.asp?a_id=57679

Mexico's CFE Receives Three LNG Bids for New Port of Manzanillo Terminal on Mexico's Pacific Coast March 3

http://www.ogj.com/display_article/321782/120/ARTCL/none/Trasp/1/Mexico's-CFE-receives-LNG-bids-for-new-terminal/

Harsh Weather Shuts Pemex's Coatzacoalcos, Dos Bocas, and Cayo Arcas Oil Exporting Ports in Gulf of Mexico March 4

Reuters, 12:07 March 4, 2008

Tanker Carrying Jet Fuel, Gasoline and Diesel Fuel Runs Aground in Bahamas

Bloomberg, 08:31 March 4, 2008

Fire Contained at Groton Ethanol Plant in South Dakota

<http://www.aberdeennews.com/apps/pbcs.dll/article?AID=/20080304/NEWS10/803040402>

Oil Leak Shuts in One-Tenth of Nigeria's Qua Iboe Oil Production, Output Will Recover to Normal Levels Soon – Nigerian Official

Reuters, 13:02 March 4, 2008

Reuters, 14:49 March 3, 2008

OPEC Should Hold Output Steady to Build Global Inventories - IEA

Reuters, 12:53 March 4, 2008

OPEC Oil Boost of 300,000 – 500,000 b/d Needed – EIA

Reuters, 12:34 March 4, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

ENERGY ASSURANCE DAILY

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